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May 22, 1997

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RECEIVED  
AZ CORP COMMISSION

Chairman Carl Kunasek  
 Commissioner Jim Irvin  
 Commissioner Renz Jennings ✓  
 Arizona Corporation Commission  
 1200 West Washington  
 Phoenix, Arizona 85007

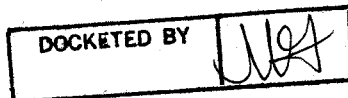
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Arizona Corporation Commission

DOCKETED DOCUMENT CONTROL

MAY 23 1997

Dear Chairman &amp; Commissioners:



In what format should distribution utilities bill customers? Who will own the meter? What type of metering will be required? Since more than one entity will be impacted by the metering data, who will assure the accuracy of the metering equipment and the meter readings? Should there be any standardization of billing format for meter reading, billing and collecting, etc? If the customer does not pay their bill, what entity disconnects for non-payment? If the ESCO does not pay the distribution entity, what is the distribution entity's recourse? Who handles energy theft situations? Is the ACC ready to handle all of the unbundled service filings during 1998? How will an entity handle billing its customers if the ACC has not taken action on its filing? What guidelines has the ACC given to entities to allow them to unbundle costs in a manner consistent with other entities and develop reasonably consistent unbundled rates? If there is not a phase-in of competition, how will adjustments be made to distribution charges, if the initially filed rates are insufficient to provide reliable electric service?

I would guess that this is about 1% of the questions that are yet to be resolved. Therefore it makes absolutely no sense to take action at this time to speed up the process of implementing open competition. However, it does make sense to set checkpoint dates to determine if the process is on schedule and then make adjustments as prudent.

I can totally understand the "Marketing Entities" pushing for an expedited process. They have an extremely vested interest. If it was not for potential profits for themselves, they would not be in the picture. That is not the case with those of us at Trico Electric Cooperative. Our only interest is serving our Members. That is the way it has been for over 50 years. That means that during this process of getting ready for "open competition" that we simply can't drop everything we are doing and get ready for implementation. We continue to provide excellent service everyday

**TRICO**

ELECTRIC COOPERATIVE, INC.

ACC

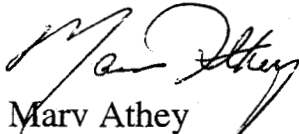
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and to do this, we must allocate the major portion of our resources to that end. We are also not willing to push aside important issues and simply allow the process to be rushed through without making a request for some reason in the process. When "open competition" begins, we want a very smooth transition for our Members and an end result that will meet their needs.

Sincerely,

TRICO ELECTRIC COOPERATIVE, INC.



Marv Athey  
General Manager

/gb

c: Barbara Keene, Senior Economist ACC Staff  
Trico Board of Directors  
Charlie Emerson